

Robert Ziprick, Chairman Stan Brauer, Vice Chairman Robert Christman, Board Member Floyd Petersen, Board Member Karen Hansberger, Board Member

CRA AGENDA:

October 14, 2002

TO:

Agency Board Members

VIA:

Dennis R. Halloway, Executive Director

FROM:

Pamela Byrnes-O'Camb, Secretary/Housing Coordinator

SUBJECT:

Request to Exceed Program Limits Relating to Rehabilitation of

two Mobile Homes at 25526 Redlands Boulevard

RECOMMENDATION

It is recommended that the Agency Board authorize an additional amount of up to \$9,800 to accomplish the necessary repairs.

BACKGROUND

The Agency Board has approved 10 programs related to its affordable housing obligations, of which one provides a \$2,000 grant to income-qualified owner-occupants of mobile homes. Initially, the program provided a \$5,000 loan-to-grant to owner-occupants of standard construction houses as well as mobile homes. The amount of the mobile home grant was reduced to \$2,000 because security for the mobile home loan-to-grant program could not include land. The Agency Board also authorized the Secretary/Housing Coordinator to exceed the program limits in an amount not to exceed \$1,000 to address health/safety issues. In some cases, then, the maximum amount available is \$3,000.

The program is not meant to fix it all; however, it is meant to assist in providing a safe, healthy, and sanitary environment for qualified applicants, and to address items required by park management. Only state licensed contractors are utilized; however, the owner-occupant may do some work upon approval of the building inspector. The building inspector inspects each dwelling and provides a list of items to be addressed, reviews all bids, and inspects all work prior to payment being made.

ANALYSIS

Two situations have arisen where repairs required by the building inspector exceed the Agency's program limits. The annual income of both owners is considerably less than the \$17,850 designated for a very low-income household.

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If all items are accomplished for the first rehabilitation project, the cost is estimated to be \$6,800 (\$3,800 above the program limit) and includes: fumigation, replacing the roof, replacing the bathroom sub-floor and floor covering, repairing the lavatory, installing a new oven and repairing the stove, installing smoke detectors, repairing the skirting (required by park management), repairing a railing, steps and installing new treads. The roof work and fumigation comprise the bulk of the cost.

The estimated cost for the second rehabilitation project, if all items are addressed, is \$8,960 (\$5,960 above the program limit) and includes: Fumigation, replacing the lavatory, tub and tub surround (cracked and leaking), re-wiring ceiling fans (now operating with extension cords), replacing carpeting and vinyl throughout (old, & torn), painting the exterior of the mobile home, and repairing faucets, screens, & windows. Fumigation, bathroom and flooring items comprise the major cost.

FINANCIAL IMPACT

79-1800-1980